

California Department of Veterans Affairs

Gray Davis, Governor
K. Maurice Johannessen, Secretary



CAL-VET LOANS – VETERANS HOMES – VETERANS SERVICES – WOMEN VETERANS
VETERANS CEMETERIES AND MEMORIALS – VETS LICENSE PLATES

NEWS RELEASE

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NEW LAW BRINGS POSITIVE CHANGES TO CAL-VET LOAN PROGRAM

SACRAMENTO, Calif. – September 30, 2003 - The California Department of Veterans Affairs (CDVA) is pleased to announce the recent signing of Assembly Bill (AB) 1036 by Governor Gray Davis which brings positive changes to the Cal-Vet Home Loan program. This legislation allows Cal-Vet Home Loans to reduce down payments, increase maximum loan amounts for certain purchases, and offers down payment assistance to qualifying individuals. The Cal-Vet Home Loan program is operated through the CDVA, providing farm and home loans to veterans in California.

Governor Davis, in signing this legislation, commented, “In order to provide for our veterans, especially with today’s continually rising real estate prices, the Cal-Vet Home Loan program must stay competitive with commercial lending institutions. This bill enhances the program’s ability to do that.”

Assembly Member Gene Mullin is the author of AB 1036 which will authorize Cal-Vet Home Loans to waive the down payment on loans guaranteed by the United States Department of Veterans Affairs. Veterans eligible for the VA Guarantee will be able to obtain 100% loans from Cal-Vet. In addition, low to moderate-income veterans wishing to purchase a home through the Cal-Vet program can also receive down payment assistance through a deferred-payment second loan program.

Mullin’s bill will also increase the maximum Cal-Vet loan for the purchase of a mobile home located within a mobile home park from \$70,000 to \$125,000. It will increase the maximum allowable Cal-Vet loan for a farm to 150% of the maximum Cal-Vet home loan. Currently, the home loan maximum is \$322,700, set at the annual Fannie Mae limit; a maximum farm loan will now rise to \$484,050.

K. Maurice Johannessen, Secretary for the California Department of Veterans Affairs sees this latest legislation as “another plus for the Cal-Vet Home Loan program in providing the best possible service to our veterans. The elements of AB 1036 allow us to reach out a little further in providing assistance to veterans as they work toward that dream of home ownership.”

Since 1921, the Cal-Vet Home Loan program has assisted over 413,000 veterans attain the dream of owning a home. To find out more about these recent additions to the Cal-Vet program you can contact the loan office at 1-800-952-LOAN. You can also check out our current rates and apply on-line at www.cdva.ca.gov/calvet . ###

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